



Sean Rogan
Executive Director

**COMMUNITY DEVELOPMENT COMMISSION
of the County of Los Angeles**

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**Gloria Molina
Mark Ridley-Thomas
Zev Yaroslavsky
Don Knabe
Michael D. Antonovich**
Commissioners

June 04, 2013

The Honorable Board of Commissioners
Community Development Commission
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Commissioners:

ADOPTED

Community Development Commission

1-D June 11, 2013

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

**APPROVE THE PURCHASE OF A MICROSOFT ENTERPRISE AGREEMENT FROM INSIGHT
PUBLIC SECTOR
(ALL DISTRICTS) (3 VOTE)**

**CIO RECOMMENDATION: APPROVE (X) APPROVE WITH MODIFICATION ()
DISAPPROVE ()**

SUBJECT

This letter recommends the purchase of a three-year Microsoft Enterprise Agreement from Insight Public Sector, to provide Microsoft software for the Community Development Commission (Commission) and Housing Authority. The Commission currently uses various versions of Microsoft operating systems and Office products. The Agreement will entitle the Commission to access all upgrades in order to standardize all Microsoft products throughout the organization.

IT IS RECOMMENDED THAT THE BOARD:

1. Find that the purchase of a Microsoft Enterprise Agreement through Insight Public Sector is not subject to the California Environmental Quality Act (CEQA) because it is not defined as a project under CEQA and does not have the potential for causing a significant effect on the environment.
2. Approve and authorize the Executive Director to purchase a three-year Microsoft Enterprise Agreement from Insight Public Sector, using up to \$132,552 per year, plus a 10% contingency of \$13,255 per year.
3. Authorize the Executive Director to execute purchase orders and any other documents necessary

to complete the purchase, as well as any non-monetary amendments to the Enterprise Agreement, following approval as to form by County Counsel.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of this action is to purchase a Microsoft Enterprise Agreement through Insight Public Sector to enable the Commission to receive licenses and software assurance benefits for Microsoft products.

The Commission needs 570 licenses to update our software needs for our office and community training sites. Microsoft's Enterprise Agreement is the volume licensing option best utilized by organizations with more than 250 desktop computers. The benefits of an Enterprise Agreement include: simplified license and compliance tracking, flexibility to upgrade to newer versions of products, simplified budgetary planning, and unlimited web support for all servers. The Commission receives all licenses and rights immediately while allowing us to distribute payments over three years with no interest.

FISCAL IMPACT/FINANCING

There is no impact on the County general fund. The maximum amount for all three years of the agreement will be \$397,656. An additional 10% contingency of \$39,765, or \$13,255 per year, is being set aside to permit the Commission to increase the number of licenses if needed.

For the first year of the Agreement, the Commission will use up to \$132,552 included in the Commission's approved Fiscal Year 2012-2013 budget. Funds for years two and three will be requested through the Commission's annual budget approval process.

Insight Public Sector confirms that no California sales or use taxes apply because all products for this purchase will be digitally downloaded.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The Microsoft Enterprise Agreement has been reviewed by County Counsel. The Chief Information Office reviewed this request and recommends approval. The request is for a commodity software license purchase utilizing a standard enterprise agreement whereby a CIO Analysis is not required.

ENVIRONMENTAL DOCUMENTATION

Computer software purchases are exempt from the National Environmental Policy Act pursuant to 24 Code of Federal Regulations, Part 58, Section 58.35 (b)(3), because they involve activities that will not have a physical impact on or result in any physical changes to the environment. These activities are also not subject to the provisions of CEQA pursuant to State CEQA Guidelines 15060(c)(3) and 15378, because they are not defined as a project under CEQA and do not have the potential for causing a significant effect on the environment.

CONTRACTING PROCESS

The Microsoft Enterprise Agreement will be purchased under the California County Information

Services Directors Association (CCISDA) Enterprise Agreement (#01E62044). The CCISDA Enterprise Agreement was a formal RFP led by the County of Riverside and awarded in 2002 to offer the lowest prices possible for state and local government customers in California. The Commission received four quotes from approved CCISDA resellers. Insight Public Sector offered the lowest quote and is being recommended for the purchase award.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The purchase of the Microsoft Enterprise Agreement will improve the efficiency and effectiveness of the Commission's administrative processes and maximize the return on the Commission's technology investments.

Respectfully submitted,



SEAN ROGAN
Executive Director

Reviewed By:


RICHARD SANCHEZ
Chief Information Officer

SR:mr